



Catalyzing finance for women food entrepreneurs

A UN Food Systems Independent Dialogue

Thursday 8 April, 2021 | 02-04 pm CET

Location: Online (Zoom)

Transforming food systems requires empowering millions of small and medium-sized enterprises to develop new business models that deliver better access to food, nutrition, equitable livelihoods, environmental sustainability and resilience. Improved access to finance for small and medium-scale entrepreneurs is essential for that, but finance is also the top challenge that many of them face.

For women entrepreneurs, this challenge is often particularly complex, as it interlinks with many factors resulting in gender-unequal access to productive resources, knowledge, technology, and markets. The Food System Summit can help advance game-changing actions that not only empower women food entrepreneurs to access finance but also further gender equality in the entrepreneurship space.

Background

In many parts of the world, small and medium enterprises – or SMEs – represent the backbone of food systems, operating all along food value chains or providing services, information, and technology solutions to value chain actors. Their role in the food economy is often huge. For instance, almost two thirds of food consumed on the African continent come from SMEs, according to a 2019 report by the Alliance for a Green Revolution in Africa. The direction in which food value chains are evolving and how they will be in the future depends to a large degree on the capacity of agri-SMEs to develop business models that help transform food systems.

Access to finance is a top challenge for agri-SMEs, and often particularly so for those with innovative business models and for young and women entrepreneurs. The reasons for that include, on the entrepreneurs' side, lack of physical collateral, limited business management capabilities, lack of credit history, and limited projected returns for their business models, especially when set within poorly functioning markets. On the finance supply side, the reasons for the challenge include lack of adequate financial products, standard procedures with high transaction costs, and limited capacity to properly assess and manage the risks involved with serving this market segment.

Women entrepreneurs often struggle particularly to access forms of capital that require physical asset collateral, as they are less likely than men to own land and other physical assets. In many contexts, they are also less likely to have access to formal sources of business development training, advisory



services, technology, and markets. More often than men, they face the challenge of balancing house and family care responsibilities with starting or growing an enterprise. Like other small or medium scale entrepreneurs, many operate in markets that lack a diverse pool of capital to meet the different needs of their enterprises as they grow or lack information to navigate the financial system.

How can the Food Systems Summit catalyse new solutions to these challenges? This event will look at proposals from the FSS process and examples of solutions from different regions, and consider their potential from the perspectives of women entrepreneurs, investors, and other key stakeholders.

Objectives

- **Foster shared understanding about the importance of “enabling financial ecosystems”** for women entrepreneurs, with effective financial offerings on a continuum from grant to commercial capital, business development services, and enabling policies and partnerships.
- **Empower women food and agripreneurs to tell their stories** and to present their proposals for solutions to the finance challenge, inspiring ideas for action that participants and the public can take back to their respective networks and constituencies.
- **Consider and refine new or existing game-changer proposals**, including the proposal of a global alliance of financial institutions committed to gender transformative finance and to closing the finance gap for women food entrepreneurs by 2030.
- **Raise awareness about existing initiatives that participants can connect to** and support and tools that they can use to build new alliances or strengthen their work in this domain.

Discussion topics

After an introductory panel, the event will move to discussion tables around topics emerging from regional gender consultations and game-changer proposals generated in the FSS process, including:

- Building women’s entrepreneurship and capacity for innovation: game-changing models in education, business development services, mentorship and peer support.
- Mobilizing finance for gender-transformative investments in food systems: how to galvanize and sustain commitments at scale through a new “global alliance”?
- Strengthening information systems to empower women entrepreneurs to navigate effectively the financial sector: bringing a gender lens into existing and new information platforms.
- Designing financial products and services for women food entrepreneurs: how to move from gender sensitive to gender transformative?

Each topic will be addressed by: 1) unpacking and assessing the potential of specific game-changing actions; 2) considering what success may look like; 3) identifying what participants can contribute.



Participation

The introduction and panel will be live-streamed. The rest of the event will be by invitation only and take place under Chatham House Rule, in line with the Food Systems Dialogues guidelines.

Participants will include young women entrepreneurs, financial service providers and investors, donors and philanthropies, technical assistance providers and business development services, farmers' organizations and agribusiness companies and platforms.

The event is convened by AGRA, the Agripreneurship Alliance, the Global Agribusiness Alliance, the International Agri-Food Network, the International Fund for Agricultural Development, Nourishing Africa, One Young World, the FSS Gender Lever, and the Smallholder and Agri-SME Finance and Investment Network, which is also the dialogue curator.